

Goal: GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS

Desired Community Condition(s)

Financial assets are maximized and protected, and analyzed and reported accurately, understandably, and usefully.

Program Strategy: TREASURY

25510

Collect, secure, record, and leverage City income.

Department: FINANCE AND ADMINISTRATIVE SERVICES

Service Activities

Treasury Services

Licensing and Enforcement

Strategy Purpose and Description

By properly recording and controlling City funds, assuring appropriate accountability for cash handling in all City operations, maximizing the timely collection of accounts receivable, maximizing return on investable cash consistent with the City's investment policy, minimizing costs and maintaining the flexibility of the City's capital financing program, and by administering assigned City ordinances, Treasury maximizes the availability of funds to support City programs and also provides enforcement for APD and the Planning Department functions thereby enhancing the general welfare of those in the community.

Changes and Key Initiatives

The business registration and licensing receivables system (Envision) became operational in FY 03. It's structure facilitated the consolidation of files for various business licensing & regulation activities such as business registration, food inspections, liquor, and Lodgers Tax that have, here to for, been maintained on independent data bases. One bill per address is being generated for the first time. Additionally, billings for HAZMAT, planning and zoning could be added.

Produce the City's Annual Information Statement, which is a document prepared to meet the requirements of the Securities Exchange Commission Rule 15(c)-12 that requires all municipal bond issuers to provide bond holders with the information required to evaluate the ongoing risks of holding the city's bonds issued in prior periods.

Input Measure (\$000's)

2001	110	110 GENERAL FUND	1,103
2002	110	110 GENERAL FUND	1,103
2003	110	110 GENERAL FUND	1,293
2004	110	110 GENERAL FUND	1,333
2005	110	110 GENERAL FUND	1,309
2006	110	110 GENERAL FUND	1,402

Strategy Outcome	Measure	Year	Project	Mid Year	Actual	Notes
Maximize financial resources available for operations and capital expenditures by the timely collection of accounts receivable, maximization of return on investable cash consistent with the City's investment policy, and the minimization of costs of the City's debt	Investment Income plus debt service savings	2001			\$39,800,00	

	2002	\$37,000,00		
Maximize financial resources available for operations and capital expenditures by the timely collection of accounts receivable, maximization of return on investable cash consistent with the City's investment policy, and the minimization of costs of the City's debt	2003	\$28,000,00		
	2004	\$10,000,00 0	\$4,896,254	
	2005	\$10,000,00 0	\$7,800,000	\$15,011,78 4
	2006	\$15,000,00 0		<i>See service activity output measures.</i>

Goal:**GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS****Parent Program Strategy:** TREASURY**Department:** *FINANCE AND ADMINISTRATIVE SERVICES***Service Activity:** Treasury Services**2581000*****Service Activity Purpose and Description***

Services include: Cash management & recording, audit & collections, and bonds & investments.

Primary beneficiaries: All City operations

Customer conditions: Longer lines and increased telephonic account inquiries and complaints are to be expected because of reduced resources.

Conditions addressed: In short, Treasury is responsible for the integrity of the revenue side of the General Ledger.

Changes and Key Initiatives

Home banking, PC based electronic payment applications, including transactions made on the City's web site are being implemented. The first application using a proprietary product of the city's fiscal agent bank known as "Customer Input Payments" or CIP should be on line in February 2003. Additional applications will be developed as resources permit.

Additionally, the business registration and licensing receivables system (Envision) became operational in January 2003. Consolidated files for various business licensing & regulation activities such as business registration, food inspections, liquor, and Lodgers Tax that have, here to for, been maintained on independent data bases now make it possible to issue one bill per address for the first time. HAZMAT, planning and zoning permits could be added.

Treasury also recommends the adoption of a policy of charging liquor license fees to licenses in suspense, which is permissible. This would pick up about \$10,000/Yr. and help keep better track of the licenses in transition.

Input Measure (\$000's)

2002	110	110 GENERAL FUND	1,103
2003	110	110 GENERAL FUND	1,068
2004	110	110 GENERAL FUND	1,093
2005	110	110 GENERAL FUND	1,057
2006	110	110 GENERAL FUND	1,143

Strategic Accomplishments

Produce the Annual Information Statement, which is a document prepared to meet the requirements of the Securities Exchange Commission Rule 15(c)2-12 that requires all municipal bond issuers to provide bond holders with the information required to evaluate the ongoing risks of holding the city's bonds issued in prior periods.

Update the Investor Information page on the City's web site. Developed in 2002, the page provides stakeholders and interested parties with links to debt and investment policies and procedures as well as current and historical information on major revenue sources.

Produce the Annual Investment Report (AIR), which provides information on the condition and profitability of the City's investment portfolio and publish the document on the City's website.

<i>Output Measures</i>	<i>Year</i>	<i>Projected</i>	<i>Mid-Year</i>	<i>Actual</i>	<i>Notes</i>
Bonds Issued	2001			100,000,00	
	2002	120,000,00			
Bonds Issued					
Bonds Issued	2003	77,000,000			
	2004	\$150,000,000	\$15,000,000		
	2005	\$150,000,000	\$67,000,000	\$168,750,000	GRT/Lodgers Tax Refunding,hospitality Fee NMFA loan & General Obligation bond sale.

2006 \$110,000,000

FY 2005 - GRT/Lodger's refunding, hospitality fee NMFA loan plus GO issue Totaled \$168,750,000.

FY 2006 - Go bonds - 2003 Authroization of \$58 mm and 2004 Street bonds - \$52 mm.

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Investment Income	2001			26,500,000	
Investment Income	2002	27,000,000			
Investment Income	2003	21,000,000			While interest income has fallen with interest rates & lower portfolio balances due to limited recent bond sales, DFAS' expectation is that we will out perform our one year T-bill benchmark by 25bp.
	2004	\$10,000,000	\$4,896,254		While interest income has fallen with interest rates & lower portfolio balances due to limited recent bond sales, DFAS' expectation is that we will out perform our one year T-bill benchmark by 25bp.
	2005	\$10,000,000	\$7,800,000	\$15,011,784	
	2006	\$15,000,000			FY 05 Actual \$15,011,784.

Output Measures	Year	Projected	Mid-Year	Actual	Notes
No. of Teller Transactions	2001			128,040	
No. of Teller Transactions	2002	140,000			
No. of Teller Transactions	2003	144,000			
	2004	144,000	65,525		
	2005	262,000	125,898	260,261	
	2006	290,000			

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Savings From Refunded Bonds & Early Redemptions	2001			10,300,000	
Savings From Refunded Bonds & Early Redemptions	2002	10,000,000			
Savings From Refunded Bonds & Early Redemptions	2003	7,000,000			
	2004	\$7,000,000	\$11,500,00		
	2005	\$7,000,000	\$0	\$0	Numbers reported above are statements of present value. However, the Gross Receipts/Lodgers Tax debt was restructured during FY 05 in order to reduce current debt service requirements by approximately \$1,300,000 per year through FY 2025 thus freeing up additional cash flow for general fund operations.
	2006	\$0			Interest rates have bottomed out, thus leaving very little room for refunding savings.

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Number of Bond Transactions/Yr.	2003	Nine			Bond issues generally take about 4 months to complete, if they are straight forward.
	2004	Nine	Three		Bond issues generally take about 4 months to complete, if they are straight forward.
	2005	Nine	Two	Three	
	2006	Two			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Audit Exceptions	2001			0	
	2002	0			
Audit Exceptions/Year	2003	0			
	2004	0	1		
	2005	0	0	0	
	2006	0			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
GO Bond Rating	2001				AA/A a w/ Positive Outloo9k
	2002	see notes			AA/A a w/ Positive Outloo9k
	2003	see notes			AA/Aa w/ + Outlook
	2004	see notes			AA/Aa w/ + Outlook
	2005	Aa3/AA/AA	Aa3/AA/AA	Aa3/AA/AA	
	2006	Aa3/AA/AA			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Investment Return vs. Benchmark	2001			.20	
Investment Return vs. Benchmark	2002	.30			
	2003	25bp			
	2004	+25bp	+50bp		

2005	+25bp	+51bp	-13bp	<i>The Federal Reserve continuously increased short term interest rates during the second half of FY 05, which meant that rates on earlier investments were less than those available later in the year.</i>
2006	+25bp			<i>Minimum benchmark spread to 1 year Constant Maturity Treasury.</i>

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Number of Transactions/Minute	2001			2/2.5 min	
Number of Transactions/Minute	2002	2/2 Min			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Receivables over 90 days < 10% of total receivables*	2003	10%			<i>* Excludes grants and receivables not worked by Treasury, ie. Airport, Water, and Police receivables</i>
	2004	10%	25%		<i>Almost half of the 12/31/02 receivables over 90 days were attributable to Bernalillo County. Data excludes grants and receivables not worked by Treasury, ie. Grants, Airport, Water, and Police receivables</i>
	2005	10.0%	10.0%	7.6%	
	2006	10%			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Total receivables	2003	\$5,000,000			
	2004	\$5,000,000	\$7,741,696		
	2005	\$5,000,000	\$9,068,351	\$10,595,608	
	2006	\$10,000,000			

Quality Measures	Year	Projected	Mid-Year	Actual	Notes
Number of Transactions/Teller/Day	2003	111			
	2004	111	111		
	2005	111	161	167	
	2006	185			<i>Based on six dedicated tellers. 290,000 transactions per year/6 tellers/260 days per year.</i>

Goal: GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS**Parent Program Strategy:** TREASURY**Department:** *FINANCE AND ADMINISTRATIVE SERVICES***Service Activity:** Licensing and Enforcement**2582000*****Service Activity Purpose and Description***

Services include: providing administrative support for APD and the Planning Department functions□□

Primary Beneficiaries

APD: Pawn Broker, Professional Fund Raisers, Distress Sales & Jewelry, Auction Ordinances

Zoning Enforcement: Business Registration, Solicitations & Liquor License Ordinances

Customer conditions: To be determined.

Conditions addressed: Compliance enforcement.

Changes and Key Initiatives

"Ownership" of the ordinances that Treasury enforces is expected to be re-evaluated during the pending ERP implementation.

The public would be better served if APD were on point for the related ordinances because of their law enforcement objectives.

As for the Planning ordinances, zoning enforcement has succeeded in preventing any business from being registered unless zoning enforcement first approves its location. Similarly regulations promulgated by Zoning regulate door to door and Old Town solicitations and the location of liquor outlets are covered by the ordinances enumerated above.

Enforcement of these ordinances should be reassigned to the organizations where the legal authority and expertise to enforce them resides. Treasury would continue to process the fees.

Input Measure (\$000's)

2002	110	110 GENERAL FUND	310
2003	110	110 GENERAL FUND	225
2004	110	110 GENERAL FUND	240
2005	110	110 GENERAL FUND	252
2006	110	110 GENERAL FUND	259

Strategic Accomplishments

Expanded and upgraded the Envision (business licensing and permitting) receivables system.

<i>Output Measures</i>	<i>Year</i>	<i>Projected</i>	<i>Mid-Year</i>	<i>Actual</i>	<i>Notes</i>
Business Registration Fees, the City would register about 7,500 new businesses each year.	2001				
	2002	1,185,600			
	2003	1,200,000			
	2004	\$1,200,000	\$374,954		
	2005	\$1,200,000	\$501,952	\$1,237,264	
	2006	\$1,204,000			

<i>Output Measures</i>	<i>Year</i>	<i>Projected</i>	<i>Mid-Year</i>	<i>Actual</i>	<i>Notes</i>
Liquor Tax and Pawn	2001				liquor tax \$162,000
					pawn \$2,500

	2002	see notes				liquor tax \$162,000
						pawn \$2,500
Liquor Tax and Misc.	2003	see notes				liquor tax \$172,000
						Misc. \$27,000
	2004	see notes	\$169,800			liquor tax \$172,000
						Misc. \$27,000
	2005	\$200,000	\$115,000	\$189,665		
	2006	200,000				

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Value of Health Fees	2001				
	2002	363,120			
Value of Health Fees	2003	1,300,000			Projected revenues assume adoption of fee increases proposed in FY/03 budget.
	2004	\$1,300,000	\$159,400		Projected revenues assume adoption of fee increases proposed in FY/03 budget.
	2005	\$792,000	\$340,000	\$928,221	
	2006	\$888,790			

Output Measures	Year	Projected	Mid-Year	Actual	Notes
Value of Building Inspection Fees	2001				
	2002	\$5,760,000			
Value of Building Inspection Fees	2003	\$6,555,000			Projected revenue assumes adoption of proposed fee increase in FY/03 budget
	2004	\$6,555,000	\$4,429,800		Projected revenue assumes adoption of proposed fee increase in FY/03 budget
	2005	\$6,555,000	\$5,400,000	\$11,909,369	
	2006	\$10,800,000			